



OPEN MEETING AGENDA ITEM



RECEIVED

2013 JUN -5 A 10:32



0000145322

June 4, 2013

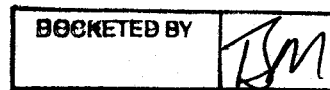
Bob Stump, Chairman
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

JUN 05 2013



RE: Tucson Electric Power Company's Application for the Establishment of Just and Reasonable Rates and Charges Designed to Realize a Reasonable Rate of Return on the Fair Value of its Operations Throughout the State of Arizona, Docket E-01933A-12-0291

Dear Chairman Stump and Commissioners:

The Pima County Interfaith Council, representing more than 30 congregations and community groups in Tucson, considers the 40% increase in Tucson Electric Power's (TEP) residential basic charge a hardship for many citizens. Increasing the basic charge reduces the amount of the bill over which customers have control and reduces the amount of utility bill savings customers can achieve when they conserve energy and become more energy efficient. This bill increase will also fall disproportionately on smaller customers — the customers who are least able to afford such an increase.

The Commission, however, has an alternative: Instead of making the increase a fixed charge that customers must pay regardless of their energy use, the charge should be based in the energy portion of the bill. This alternative would empower customers to reduce their costs by reducing energy use. This solution would also be a win-win for those who are least able to pay, those who have made their homes energy efficient, and those in the future who will have a greater incentive to save energy.

The Pima County Interfaith Council also stresses that the Commission should support energy efficiency programs that keep energy costs low for everyone, support local jobs, and boost Tucson's economy. ***To that end any Commission decision on the TEP rate case should ensure that TEP's energy efficiency programs are fully restored and expanded so that all customers — including small businesses, low-income residents, families, renters, and schools — have the opportunity to lower their utility bills now and in the future.***

The suspension of TEP's existing energy efficiency programs and the delay in the expansion of TEP's proposed energy efficiency programs have been detrimental to the Tucson community. These setbacks have meant missed opportunities for Tucsonans to save money and energy on their utility bills and the loss of local jobs. For example delayed action has meant that the Residential Energy Financing Program, a program that our organization worked on for more than two years to develop, has not yet been implemented. This program is designed to leverage

private capital in tandem with ratepayer money to increase energy efficiency opportunities for Tucsonans. Our efforts helped to secure an Arizona-based lender that will make loans easier to access for Tucsonans and keep Arizona savings working to improve our local economies.

The Pima County Interfaith Council implores you to consider these issues as you make a decision in the coming days.

Sincerely,

Green Economy Team Members

Representing More Than Twenty Pima County Interfaith Council Institutions.

Art Aldag

Kevin Courtney

Art Evans

Bernie Frankiewicz

Joan Grecchi

Mari Helen High

Becky Hogle

Hank Krzysik

Patsy Stewart

Andrea Robson,

Alice Weekley

St. Francis UMC

Sacred Heart

St Francis UMC

St. Odelia

St. Cyrils

St. Mark's Presbyterian

St. Francis UMC

Our Mother of Sorrows

St. Phillip's Episcopalian

St. Francis UMC

St. Francis UMC